GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:162
ANSWERED ON:21.07.2015
Decline in Procurement of Foodgrains
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Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether there is a likelihood of a decline in procurement of foodgrains during 2015-16;

(b) if so, the details of the estimation made in this regard and contingency plans drawn, if any, to overcome shortage of foodgrains, crop and State/UT-wise;

(c) the details of foodgrains procured by various agencies along with the expenditure incurred thereon during each of the last two years and the current year, crop and State/UT-wise;

(d) whether adequate foodgrain stocks are available in the Central pool to meet the domestic requirement and contain prices; and

(e) if so, the details thereof indicating the current stocks and estimated requirement of foodgrains during the ensuing year and if not, the remedial steps taken in this regard?

Answer

MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI RAM VILAS PASWAN)

(a) No, Madam. Quantity of wheat and Paddy (in terms of rice) procured during current Rabi Marketing Season (RMS) and Kharif Marketing Season (KMS) vis-a-vis previous respective Marketing Season are as follows:-
Fig in lakh MT
Wheat Rice
RMS
(Rabi Marketing
Season) Procurement. KMS
(Kharif Marketing Season) Procurement
2014-15 280.23 2013-14 318.64
2015-16 280.88* 2014-15 315.22**
*As reported on 13.07.2015
**As reported on 16.07.2015
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(b): Does not arise.

(c): The details of wheat and rice procured by various agencies during each of the last two years and the current year, crop and State/UT-wise are at Annex-I, II, III, IV, V and VI respectively.

The acquisition cost of wheat and rice for the last two years and current year is as under :
Amount (Rs./Qtl)
Years Wheat Rice
2013-14 1557.52 2225.54
2014-15 (Revised Estimates) 1685.64 2387.65
2015-16 (Budget Estimates) 1763.84 2538.10

It is further informed that that no fund is released by Government of India for procurement of foodgrains to States. However, food subsidy is released to FCI for procurement, storage and distribution of food grains under Targeted Public Distribution System (TPDS) and other welfare schemes and for maintaining buffer stock of food grains. Further, a part of food subsidy is also released to States which have adopted Decentralized Procurement (DCP) Scheme. The subsidy is released at the rate of difference between economic cost and Central Issue Price. A statement indicating the food subsidy released to Food Corporation of India (FCI) and DCP States during the last two years and current year is given at Annex-VII.

(d) & (e): Yes, Madam. As on 01.07.2015, the Wheat Stock in Central Pool was 386.80 lakh tons against stocking norm of 275.80 lakh tons, whereas Rice Stock was 158.95 lakh against stocking norm of 135.40 lakh tons. The total annual requirement for implementation of the National Food Security Act is estimated at 614.4 lakh tons. The procurement of wheat for RMS 2015-16 has been reported 280.87 lakh tons and procurement of rice for KMS 2014-15 has been reported 315.22. Thus, there are sufficient stock

in Central Pool to take care of requirement of foodgrains during the ensuing year and also surplus stock for sale in open market to contain prices.

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